

PLM INVESTMENT MANAGEMENT, INC.

A Subsidiary of PLM, Inc.
50 California Street, Suite 3300
San Francisco, California 94111
415/989-1860
Telex 34430
TWX 910-372-7306

12988

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INTERSTATE COMMERCE COMMISSION

MAR

1981

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
Interstate Commerce Building
Washington, D.C. 20043

No.

Date MAR 19 1981

Fee \$ 50.00

ICC Washington, D. C.

Re: Recordation of Management Agreement

Ladies and Gentlemen:

You are hereby requested to record the original and two certified copies of the enclosed Management Agreement. The recordation fee of \$50.00 is included with the bank's check in payment of the security agreement recordation fee.

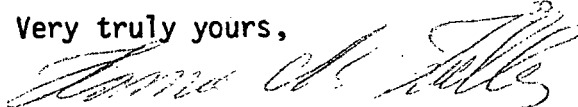
Under the Management Agreement, RONALD G. AND MARY ANN SEVERS, *Bozart, GA 31005* as owner grants to PLM Investment Management, Inc., a California corporation, whose principal business address is at 50 California Street, San Francisco, California 94111, the right to manage the equipment hereinafter described to collect amounts due to or on behalf of owner with respect to such equipment and to disburse funds of owner to pay costs, expenses and obligations of owner with respect to such equipment, all as set forth therein.

The above-described agreement relates to railway equipment consisting of one (1) 4,700 cu.ft. capacity, 100 ton covered hopper car.

When recorded, the documents should be returned to: *12570*

Commerce National Bank
P.O. Box 2148
Warner Robins, GA 31099

Very truly yours,



Hanna M. Zalles
Investor Services Coordinator

RECEIVED
MAR 19 3 57 PM '81
FEE OPERATION B...



**Trust Company Bank
of Houston County N.A.**

March 20, 1981

Mrs. Mildred Lee
Interstate Commerce Commission
12th Street & Constitution Avenue N.W.
Washington, DC 20423

Dear Mrs. Lee:

We appreciate your telephone conversation regarding the Security Agreement of Ronald G. Severs and Mary Ann Severs dated December 18, 1980. This security agreement was made between Commerce National Bank of Warner Robins and Ronald G. Severs and Mary Ann Severs.

The reason this letterhead does not say Commerce National Bank of Warner Robins is because on February 9, 1981 we changed our name to Trust Company Bank of Houston County.

Enclosed is the notarized statement regarding this transaction along with a check for \$50.00.

Thanks for everything.

Sincerely,

James S. Farr
Executive Vice President

JSF/nn

— SECURITY AGREEMENT —

(GENERAL)

FOR VALUE RECEIVED, the undersigned hereby conveys to Commerce National Bank of Warner Robins

(hereafter called the "Secured Party"), and hereby grants to the Secured Party security title to and a security interest in, the following property

RECORDATION NO. 1222 FILE # 115 **A**

one 4700 cu. ft. capacity 100 ton covered Hopper Car
PLMX 12570

MAR 19 1981 -4 00 PM

(hereafter collectively called "Goods"); all accounts and contract rights of undersigned, whether now or hereafter existing or acquired, evidencing any obligation to undersigned for payment (hereafter collectively called "Accounts"); all inventory of undersigned of every description, whether now or hereafter existing or acquired and all interest of the undersigned in any goods the sale or lease of which shall have given or shall give rise to any of the Accounts (hereafter collectively called "Inventory"); and all products and proceeds of any of the foregoing ("Goods", "Inventory" and "Accounts" are sometimes hereafter collectively called "Collateral") to secure the pay-

ment of the principal of, interest on and satisfaction of all obligations under a promissory note (hereafter called the "Note"), dated December 18, 1980 executed and delivered by the undersigned payable to the order of the Secured Party, in the amount of Thirty six thousand three hundred ninety four and 70/100----- Dollars

(\$ 36,394.70), satisfaction of all obligations of the undersigned hereunder, and all other obligations of the undersigned to the Secured Party, its successors and assigns, however created, arising or evidenced, whether direct or indirect, absolute or contingent, or now or hereafter existing, or due or to become due. The Note and all other obligations secured hereby are herein collectively called the "Liabilities".

Until Default (as defined herein), or until the Secured Party shall notify the undersigned of the revocation of such power or authority, the undersigned may have possession of the Goods and use the same in any lawful manner not inconsistent with this Agreement or with any policy of insurance on any of the Goods, the undersigned may have possession of the Inventory, and may sell, lease or furnish under contract any thereof that is normally held by undersigned for such purpose, the undersigned may collect any amounts which may be owing on the Accounts or enforce thereunder any rights which may be in the undersigned, and may use or consume in the ordinary course of the undersigned's business such collections on the Accounts and any raw materials, work in progress or materials normally held by the undersigned for that purpose.

The undersigned hereby warrants and agrees that: (1) To the extent, if any, it shall have advised the Secured Party that any of the Collateral is being acquired with the proceeds of the Note, such proceeds may be disbursed by the Secured Party directly to the seller of such Collateral; (2) the Goods (except any thereof which prior to the execution of this Agreement the undersigned shall have advised the Secured Party in writing will be kept at another location or consists of equipment normally used in more than one State) will be kept at its address shown below or at such other designated location, unless the Secured Party shall otherwise consent in writing; (3) if any of the Goods shall consist of equipment of a type normally used in more than one State, whether or not actually so used, it will immediately give written notice to the Secured Party of any change in the chief place of business of the undersigned, and of any use of any of such Goods in any jurisdiction other than a State in which the undersigned shall have previously advised the Secured Party such Goods will be used, and such Goods will not, unless the Secured Party shall otherwise consent in writing, be used outside the territorial limits of the United States; (4) it has, or forthwith will acquire, full title to the Collateral, and will at all times keep the Collateral free of all liens and claims whatsoever, other than the security interest hereunder; (5) no financing statement covering any of the Collateral is on file in any public office and the undersigned will from time to time, on request of the Secured Party, execute such financing statements and other documents (and pay the cost of filing or recording the same in all public offices deemed necessary by the Secured Party) and do such other acts and things, all as the Secured Party may request to establish and maintain a valid security title and interest in the Collateral (free of all other liens and claims whatsoever) to secure the payment of the Liabilities, including, without limitation, deposit with the Secured Party of any certificate of title issuable with respect to any of the Goods and notation thereon of the security interest hereunder; (6) it will not sell, transfer, lease or otherwise dispose of any of the Collateral or any interest therein except as expressly permitted herein with respect to Inventory and Accounts or except with the prior written consent of the Secured Party; (7) it will at all times keep the Goods and Inventory in first class order and repair, excepting any loss, damage or destruction which is fully covered by proceeds of insurance; (8) it will at all times keep the Goods and Inventory insured against loss, damage, theft and other risks, in such amounts and companies and under such policies and in such form, all as shall be satisfactory to the Secured Party, which policies shall provide that loss thereunder shall be payable to the Secured Party as its interest may appear (and the Secured Party may apply any proceeds of such insurance which may be received by it toward payment of the Liabilities, whether or not due, in such order of application as the Secured Party may determine) and such policies or certificates thereof shall, if the Secured Party so requests, be deposited with the Secured Party; (9) it will at all times keep accurate and complete records reflecting the current status of the Inventory and Accounts, permit the Secured Party to examine and extract from the same and furnish to Secured Party, on request, duly verified copies or summaries thereof in form and content satisfactory to Secured Party; (10) the Goods, whether affixed to the realty or not, shall remain personal property; and (11) the Secured Party may examine and inspect the Collateral or any thereof, wherever located, at any reasonable time or times. The Secured Party may from time to time, at its option, perform any agreement of the undersigned hereunder which the undersigned shall fail to perform and take any other action which the Secured Party deems necessary for the maintenance or preservation of any of the Collateral or its interest therein.

The Secured Party may, at any time, notify any parties obligated on any of the Accounts to make payment to the Secured Party of any amounts due or to become due thereunder, and enforce collection of any of the Accounts by suit or otherwise and surrender, release or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness thereunder or evidenced thereby. Upon request of Secured Party the undersigned will, at its own expense, notify any parties obligated on any of the Accounts to make payment to the Secured Party of any amounts due or to become due thereunder.

The undersigned agrees to forthwith reimburse the Secured Party for all expenses of the Secured Party in connection with the foregoing, together with interest thereon at the rate of 7% per annum from the date incurred until reimbursed by the undersigned.

The occurrence of any of the following events shall constitute a Default (as such term is used herein): (a) Non-payment, when due, or any amount payable on any of the Liabilities or failure to perform any agreement of the undersigned contained herein; (b) any statement, representation or warranty of the undersigned herein or in any other writing at any time furnished by the undersigned to the Secured Party is untrue in any material respect as of the date made; (c) any Obligor (which term, as used herein, shall mean the undersigned and each other party primarily or secondarily liable on any of the Liabilities) becomes insolvent or unable to pay debts as they mature or makes an assignment for the benefit of creditors, or any proceeding is instituted by or against any Obligor alleging that such Obligor is insolvent or unable to pay debts as they mature; (d) entry of any judgment against any Obligor; (e) death of any Obligor who is a natural person, or death or withdrawal of any partner of any Obligor which is a partnership; (f) dissolution, merger or consolidation, or transfer of a substantial part of the property of any Obligor which is a corporation or a partnership; (g) sale, transfer or exchange, either directly or indirectly, of a controlling stock interest of any Obligor which is a corporation; (h) appointment of a receiver for any of the Collateral or for any property in which undersigned has an interest; (i) seizure of any of Collateral; or (j) the Secured Party feels insecure for any other reason whatsoever. Whenever a Default shall be existing, the Note and all other Liabilities may (notwithstanding any provisions thereof), at the option of Secured Party, and without demand or notice of any kind, be declared, and thereupon immediately shall become due and payable, and the Secured Party may exercise from time to time any rights and remedies available to it under applicable law. The undersigned agrees, in case of Default, except with written consent of Secured Party, to cease the sale, lease or furnishing under contract of service of any Inventory, to cease collection of the Accounts and to cease use or consumption thereof in business, and to assemble, at its expense, all the Collateral at a convenient place acceptable to the Secured Party and to pay all costs of the Secured Party of collection of the Note and all other Liabilities, and enforcement of rights hereunder, including 15% of the principal and interest of the Liabilities as attorneys' fees, and expenses of any repairs to any realty or other property to which any of the Goods may be affixed or be a part. If any notification of intended disposition of any of the Collateral is required by law, such notification, if mailed, shall be deemed reasonably and properly given if mailed at least five days before such disposition, postage prepaid, addressed to the undersigned either at the address shown below, or at any other address of the undersigned appearing on the records of the Secured Party. Any proceeds of any disposition of any of the Collateral may be applied by the Secured Party to the payment of expenses in connection with the Collateral, including 15% of the principal and interest of the Liabilities as attorneys' fees, and any balance of such proceeds may be applied by the Secured Party toward the payment of such of the Liabilities, and in such order of application, as the Secured Party may from time to time elect.

No delay or failure on the part of the Secured Party in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by the Secured Party of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy. Time is of the essence of this Agreement. If more than one party shall execute this Agreement, the term "undersigned" shall mean all parties signing this Agreement and each of them, and all such parties shall be jointly and severally obligated hereunder. The neuter pronoun, when used herein, shall include the masculine and feminine and also the plural. If this Agreement is not dated when executed by the undersigned, the Secured Party is authorized, without notice to the undersigned, to date this Agreement.

The additional provisions, if any, set forth or referred to below are hereby made a part of this Agreement.

This Agreement has been delivered in the State of Georgia and shall be construed in accordance with the laws of that State. Wherever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Agreement.

The rights and privileges of the Secured Party hereunder shall inure to the benefit of its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the 18th day of December, 1980

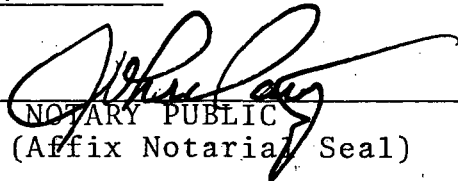
Russell J. Sewers
Mary Ann Sewers

Address _____

Personally appeared before me on December 18, 1980
Ronald G. Severs and Mary Ann Severs who did sign the
security agreement to Commerce National Bank of Warner
Robins.

Signed, sealed and dated: MARCH 20, 19 81.

Sworn to and subscribed before me
this 20 day of MARCH
19 81.



NOTARY PUBLIC
(Affix Notarial Seal)

My Commission Expires: 6/30/84